

**ST. MARTIN, IBERIA, LAFAYETTE  
COMMUNITY ACTION AGENCY, INC.**

Financial Report

Year Ended May 31, 2014

## TABLE OF CONTENTS

	Page
INDEPENDENT AUDITORS' REPORT	1-3
Statement of financial position	4
Statement of activities	5-6
Statement of cash flows	7
Notes to financial statements	8-16
SUPPLEMENTARY INFORMATION	
SCHEDULE OF INDIVIDUAL FUNDS	
Combining statement of financial position	22-27
Combining statement of activities	28-33
Indirect cost pool - statements of revenue and expenses	34
INTERNAL CONTROL, COMPLIANCE AND OTHER MATTERS	
Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	36-37
Independent Auditors' Report on Compliance for Each Major Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133	38-40
Schedule of Expenditures of Federal Awards	41-42
Notes to Schedule of Expenditures of Federal Awards	43
Schedule of Findings and Questioned Costs	44-45
Schedule of Current and Prior Year Audit Findings and Management's Corrective Action Plan	46-47

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Retired  
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## INDEPENDENT AUDITORS' REPORT

To the Board of Directors  
St. Martin, Iberia, Lafayette  
Community Action Agency, Inc.  
Lafayette, Louisiana

### Report on the Financial Statements

We have audited the accompanying financial statements of the St. Martin, Iberia, Lafayette Community Action Agency, Inc. (a nonprofit organization), which comprise the statement of financial position as of May 31, 2014, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to error or fraud.

### *Auditors' Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors' consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### ***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the St. Martin, Iberia, Lafayette Community Action Agency, Inc. as of May 31, 2014, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Report on Summarized Comparative Information**

We have previously audited the St. Martin, Iberia, Lafayette Community Action Agency, Inc.'s 2013 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated November 13, 2013. In our opinion, the summarized comparative information presented herein as of and for the year ended May 31, 2013, is consistent, in all material respects, with the audited financial statements from which it has been derived.

### ***Other Matters***

#### ***Other Information***

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information (pp. 22-34) is presented for purposes of additional analysis and is not a required part of the financial statements. The accompanying schedule of expenditures of federal awards (pp. 41-42), as required by Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, is presented for purposes of additional analysis and is also not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects, in relation to the financial statements as a whole.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated October 9, 2014, on our consideration of the St. Martin, Iberia, Lafayette Community Action Agency, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations,

contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the St. Martin, Iberia, Lafayette Community Action Agency, Inc.'s internal control over financial reporting and compliance.

***Kolder, Champagne, Slaven & Company, LLC***  
Certified Public Accountants

Breaux Bridge, Louisiana  
October 9, 2014

ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.

Statement of Financial Position  
May 31, 2014

ASSETS

Current assets:	
Cash	\$ 1,339,681
Receivables:	
Grant funds	719,879
Other	71,601
Prepaid expenses	<u>224,605</u>
Total current assets	<u>2,355,766</u>
Property and equipment (net)	<u>1,480,402</u>
Total assets	<u>\$3,836,168</u>

LIABILITIES

Liabilities:	
Current liabilities:	
Accounts payable	\$ 785,398
Accrued salaries and related benefits	339,106
Notes payable	29,681
Capital lease payable	7,806
Retirement plan payable	383,953
Compensated absences	<u>96,275</u>
Total current liabilities	<u>1,642,219</u>
Long-term liabilities:	
Notes payable	<u>269,588</u>
Total long-term liabilities	<u>269,588</u>
Total liabilities	<u>1,911,807</u>

NET ASSETS

Unrestricted	70,122
Temporarily restricted	1,854,239
Permanently restricted	<u>-</u>
Total net assets	<u>1,924,361</u>
Total liabilities and net assets	<u>\$3,836,168</u>

The accompanying notes are an integral part of this statement.

ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.

Statement of Activities  
Year Ended May 31, 2014  
With Comparative Totals for May 31, 2013

	Unrestricted	Temporarily Restricted	Permanently Restricted	Totals	
				2014	2013
Public support:					
In-kind contributions	\$ -	\$2,755,166	\$ -	\$2,755,166	\$2,843,386
Donations	<u>8,311</u>	<u>30,905</u>	<u>-</u>	<u>39,216</u>	<u>44,815</u>
Total public support	8,311	2,786,071	-	2,794,382	2,888,201
Grants from governmental agencies	648	17,267,466	-	17,268,114	17,135,322
Other revenue:					
Miscellaneous	<u>208,147</u>	<u>40,988</u>	<u>-</u>	<u>249,135</u>	<u>154,154</u>
Total public support, grants from governmental agencies and other revenue	<u>217,106</u>	<u>20,094,525</u>	<u>-</u>	<u>20,311,631</u>	<u>20,177,677</u>
Expenses:					
Program services -					
Transportation	-	347,832	-	347,832	433,644
Project Independence Jobs	-	11,289	-	11,289	52,643
CSBG	-	923,194	-	923,194	938,595
Food Reimbursement	-	1,102,201	-	1,102,201	1,169,229
Shelter Fund	-	830	-	830	-
Weatherization	-	-	-	-	2
Local Government Support	-	189,926	-	189,926	159,883
St. Martin Parish Emergency Assistance	-	3,177	-	3,177	2,323
Iberia Food & Medical	-	22,283	-	22,283	12,883
Lafayette Emergency Food & Shelter	-	54	-	54	228
Iberia Emergency Food & Shelter	-	4,510	-	4,510	5,925
Head Start	-	13,360,623	-	13,360,623	13,938,416
RSVP	-	69,379	-	69,379	49,809
Cookbook Fund	2,614	-	-	2,614	7,277
HPRP	-	1	-	1	49,925
Home Energy Assistance	-	3,872,498	-	3,872,498	3,284,458
Computer Technology	-	1,553	-	1,553	1,553
United Way	-	-	-	-	3,877
EITC	-	218	-	218	4,188
Pugh Family Trust	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,951</u>
Total program services	<u>2,614</u>	<u>19,909,568</u>	<u>-</u>	<u>19,912,182</u>	<u>20,119,809</u>

(continued)

ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.

Statement of Activities (Continued)  
 Year Ended May 31, 2014  
 With Comparative Totals for May 31, 2013

	Unrestricted	Temporarily Restricted	Permanently Restricted	Totals	
				2014	2013
Supporting services -					
General	62,872	-	-	62,872	100,726
Indirect Cost Pool	<u>-</u>	<u>760,298</u>	<u>-</u>	<u>760,298</u>	<u>724,865</u>
Total supporting services	<u>62,872</u>	<u>760,298</u>	<u>-</u>	<u>823,170</u>	<u>825,591</u>
 Total expenses	<u>65,486</u>	<u>20,669,866</u>	<u>-</u>	<u>20,735,352</u>	<u>20,945,400</u>
 Excess (deficiency) of public support, grants from governmental agencies, and other revenue over expenses	<u>151,620</u>	<u>(575,341)</u>	<u>-</u>	<u>(423,721)</u>	<u>(767,723)</u>
Other increases (decreases) in net assets:					
Operating transfers in	37,346	362,427	-	399,773	341,029
Operating transfers out	-	(399,773)	-	(399,773)	(341,029)
Indirect cost transferred from programs	-	601,756	-	601,756	583,467
Gain/(loss) on disposals of equipment	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(19,439)</u>
Total increases in net assets	<u>37,346</u>	<u>564,410</u>	<u>-</u>	<u>601,756</u>	<u>564,028</u>
 Change in net assets	188,966	(10,931)	-	178,035	(203,695)
Net assets (deficit), beginning of year	<u>(118,844)</u>	<u>1,865,170</u>	<u>-</u>	<u>1,746,326</u>	<u>1,950,021</u>
Net assets, end of year	<u>\$ 70,122</u>	<u>\$ 1,854,239</u>	<u>\$ -</u>	<u>\$ 1,924,361</u>	<u>\$ 1,746,326</u>

The accompanying notes are an integral part of this statement.



ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.

Statement of Cash Flows  
Year Ended May 31, 2014

Cash flows from operating activities:	
Change in net assets	<u>\$ 178,035</u>
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	404,645
(Increase) decrease in operating assets -	
Grant receivables	7,527
Other receivables	(64,577)
Prepaid expenses	97,647
Increase (decrease) in operating liabilities -	
Accounts payable	432,507
Accrued salaries and related benefits	(5,545)
Retirement plan payable	(188,166)
Compensated absences	(19,221)
Commitment payable	<u>(82,536)</u>
Total adjustments	<u>582,281</u>
Net cash provided by operating activities	<u>760,316</u>
Cash flows from investing activities:	
Payments for property and equipment	<u>(272,745)</u>
Cash flows from financing activities:	
Payments on capital leases	(26,012)
Payments on notes payable	<u>(25,775)</u>
Net cash used by financing activities	<u>(51,787)</u>
Net increase in cash and cash equivalents	435,784
Beginning cash and cash equivalents	<u>903,897</u>
Ending cash and cash equivalents	<u>\$ 1,339,681</u>
Supplemental disclosures:	
Cash paid during year for interest	<u>\$ 27,608</u>

The accompanying notes are an integral part of this statement.

ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.

Notes to Financial Statements

(1) Summary of Significant Accounting Policies

A. Nature of Activities

The St. Martin, Iberia, Lafayette Community Action Agency, Inc. (SMILE) was created under the Economic Opportunity Act of 1964, as amended, to serve as the antipoverty agency, providing human services for the indigent and disadvantaged through research, planning, development, financing, implementation and evaluation of programs, either directly or through coordinating with other agencies, to attain social and economic independence for the benefit of all present and future generations of disadvantaged people in the Tri-Parish area. St. Martin, Iberia, Lafayette Community Action Agency, Inc. is comprised of eighteen board members, who are equal in numbers from the Community Action Councils of the St. Martin, Iberia, and Lafayette Parishes of Louisiana.

St. Martin, Iberia, Lafayette Community Action Agency, Inc. receives substantially all of its revenue from various Federal and State grant programs, which are subject to final review and approval as to allowability of expenditures by the respective grantor agencies.

B. Basis of Accounting

Basis of accounting refers to when revenues and expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The Agency's financial statements have been prepared on the accrual basis of accounting whereby revenues are recognized when they are earned and expenses are recognized when incurred.

Unrestricted net assets represent expendable funds available for operations which are not otherwise limited by donor restrictions. Temporarily restricted net assets consist of contributed funds subject to specific donor-imposed restrictions contingent upon specific performance of a future event or a specific passage of time before the Agency may spend the funds.

Contributions are recognized as revenue when they are received or unconditionally pledged. Contributions are recorded as unrestricted, temporarily restricted or permanently restricted support depending on the existence and/or nature of any donor restrictions. Those donor restricted contributions whose restrictions, however, are met in the same reporting period are reported as unrestricted support.

The Agency reports gifts of buildings and equipment as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets

ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.

Notes to Financial Statements (continued)

are reported as restricted support. Absent explicit donor stipulations about how these long-lived assets must be maintained, the Agency reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

C. Cash and Cash Equivalents

For purposes of the statement of cash flows, the Agency considers all highly liquid investments available for current use to be cash equivalents.

D. Property and Equipment

Property and equipment is capitalized at cost. All federal program assets costing \$5,000 or more are capitalized and all state program assets costing \$250 or more are capitalized. Depreciation of property and equipment is calculated on the straight-line basis over the estimated useful lives of assets as follows:

Computers	3 years
Furnitures, fixtures, and equipment	7-10 years
Automobiles	5 years
Buildings and improvements	15-20 years

E. Functional Expenses

Expenses are charged to each program based on direct expenditures incurred.

F. Compensated Absences

Compensation is paid to employees absent from work due to illness or vacation. At May 31, 2014, there is a liability reported in the financial statements for accrued compensated absences of \$96,275.

G. Income Tax Status

The Agency qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and, therefore, has no provision for federal income taxes. Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken by the Agency and recognize a tax liability (or asset) if the Agency has undertaken an uncertain tax position that more likely than not would not be sustained upon examination by the Internal Revenue Service. Management has analyzed the tax positions taken by the Agency, and has concluded that as of May 31, 2014, there are no uncertain tax positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Agency is subject to routine audit by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. Management believes it is no longer subject to income tax examinations for years prior to 2010.

ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.

Notes to Financial Statements (continued)

H. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

I. Total Columns

Total columns are presented to facilitate financial analysis. Data in these columns do not present financial position, changes in net assets and cash flows in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

J. Prior Year Summarized Comparative Information

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the organization's financial statements for the year ended May 31, 2013, from which the summarized information was derived.

(2) Cash

At May 31, 2014, SMILE had cash (book balances) totaling \$1,339,681. These deposits are stated at cost, which approximates market. These deposits (bank balances) totaled \$1,594,529 and are fully insured by FDIC insurance and securities pledged at May 31, 2014.

ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.

Notes to Financial Statements (continued)

(3) Due To/From Other Funds

Individual balances due to/from other funds at May 31, 2014 are as follows. The following balances have been eliminated in the statement of financial position.

	<u>Due from other funds</u>	<u>Due to other funds</u>
Transportation	\$ 8,158	\$ 38,033
CSBG	13,478	-
Food Reimbursement	37,947	-
Shelter Fund	1,500	-
Local Government Support	-	77,706
Iberia Food and Medical	-	2,486
Lafayette Food and Shelter	2,323	-
Iberia Food and Shelter	-	1,200
Head Start	139,382	15,087
RSVP	1,832	-
Cookbook Fund	1,582	1,501
Payroll Fund	22,478	176,931
Accounts Payable	79,812	5,898
Home Energy Assistance	4,316	-
Indirect Cost Fund	9,780	1,582
EITC	-	1,766
Disaster Fund	-	398
	<u>\$ 322,588</u>	<u>\$ 322,588</u>

Of the amounts recorded as due to/from other funds in 2014, \$22,478 relates to payroll and \$79,812 relates to accounts payable.

ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.

Notes to Financial Statements (continued)

(4) Restrictions on Net Assets

Temporarily restricted net assets are available for specific grant programs at May 31, 2014 as follows:

Transportation	\$ 101,840
Project Independence Jobs	3,236
CSBG	34,685
Food Reimbursement	54,747
Shelter Fund	1,623
Weatherization	300
Local Government Support	137,103
St. Martin Parish Emergency Assistance	3,523
Iberia Food & Medical	2,619
Iberia Parish Special Trust	157
Lafayette Emergency Food & Shelter	3,195
Iberia Emergency Food & Shelter	3,109
Headstart	1,226,614
RSVP	7,096
Medicaid Enrollment	2,390
Family Preservation	1,621
Home Energy Assistance	141,193
Indirect Cost Pool	97,102
Computer Technology	25,624
United Way	2,642
EITC	3,631
Pugh Family Trust	189
Total Temporary Restricted Net Assets	<u>\$ 1,854,239</u>

ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.

Notes to Financial Statements (continued)

(5) Contingencies

A. Contingent Liabilities

At May 31, 2014, the St. Martin, Iberia, Lafayette Community Action Agency, Inc. was a defendant in two lawsuits. It is more likely than not that the Agency will be successful in its defense. The estimated exposure for each case is \$150,000. No liability has been recorded at May 31, 2014.

B. Grant Audits

SMILE, Inc. receives revenues from various Federal and State grant programs, which are subject to final review and approval as to allowability of expenditures by the respective grantor agencies. Any settlements or expenses arising out of a final review are recognized in the period in which agreed upon by the agency and SMILE, Inc. Also, it is management's opinion that any audits by the grantor agencies would not produce disallowed program costs and liabilities to such an extent that they would materially affect SMILE, Inc.'s financial position.

(6) Retirement Plan

Plan Description: The St. Martin, Iberia, Lafayette Community Action Agency, Inc. contributes to a defined contribution plan administered under a contract with Mutual of America. Mutual of America receives the plan contributions, maintains participants' individual accounts, offers the investment options and pays benefits to participants and their beneficiaries.

Funding Policy: The retirement plan covers all employees who have one year of service and are age eighteen or older. The Agency will contribute to the plan the amount determined by the Agency at its discretion. The Agency may choose not to contribute to the plan for a particular plan year. Participants can contribute any amount from 1% to 16% of their compensation each pay period provided that the participant does not contribute more than the maximum permitted by law. There were no significant changes during the period affecting comparability. Agency contribution for the year ending May 31, 2014 was \$229,987.

(7) Economic Dependency

The Agency receives the majority of its revenue from funds provided through grants administered by the U.S. Department of Health and Human Services. The grant amounts are appropriated each year by the federal and state governments. If significant budget cuts are made at the federal and/or state level, the amount of the funds the Agency receives could be reduced significantly and have an adverse impact on its operations. Management is not aware of any actions that will adversely affect the amount of funds the Agency will receive in the next fiscal year.

ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.

Notes to Financial Statements (continued)

(8) In-Kind Contributions

The Agency is allowed free use of certain facilities by landlords and receives donated services by individuals. In-kind contributions are valued at the fair market value of the rent or services donated on the date of donation.

(9) Property and Equipment

Property and equipment at May 31, 2014 consists of the following:

Furniture, fixtures and equipment	\$ 1,104,301
Automobiles	2,190,646
Buildings and improvements	4,649,524
Land	<u>97,764</u>
Total	8,042,235
Less: Accumulated depreciation	<u>(6,561,833)</u>
Net assets	<u>\$ 1,480,402</u>

Property and equipment purchased with federal monies may revert back to the government or the sale of such property and equipment has to be approved and the proceeds from the sale are restricted. Depreciation expense for the year ended May 31, 2014 was \$404,645.

(10) Notes Payable

The Agency's note payable balance consists of the following at May 31, 2014:

Note payable to Hibernia, original amount of \$500,000, due in monthly installments of \$4,449, which includes interest at a rate of 8.71 percent, maturing December 2021, secured by building.

\$ 299,269



ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.

Notes to Financial Statements (continued)

Following is the maturity of the notes payable which includes interest of \$86,242:

Years ending May 31:

2015	\$ 53,384
2016	53,384
2017	53,384
2018	53,384
2019	53,384
2020 - 2022	<u>118,591</u>
Total	<u>\$ 385,511</u>

The total amount of interest charged to expense for the year ended May 31, 2014 is \$27,608. It is the Agency's intent to use local funds to retire this debt each year.

(11) Capital Lease Payable

Equipment under capital leases consists of twelve copiers with a combined capitalized cost of \$98,821. Accumulated depreciation in the statement of financial position included \$32,940 relating to these leased copiers. Depreciation expense reported in the statement of activities includes \$32,940 for the equipment under capital lease. The leases included \$1 purchase options at the end of the lease period. Future minimum lease payments are as follows:

Years ending May 31:

2015	<u>\$ 7,806</u>
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(12) Line of Credit

The Agency has an available line of credit of \$100,000 as of May 31, 2014. The line is unsecured. Amounts borrowed under this agreement bear interest at a rate of 4.25% per annum. The balance outstanding on the line as of May 31, 2014 was \$0.

(13) Operating Leases

The Agency is obligated under certain leases accounted for as operating leases. Operating leases do not give rise to property rights or lease obligations, therefore the results of these agreements are not reflected in property and equipment.

ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.

Notes to Financial Statements (continued)

Rent expense for the year ended May 31, 2014 was \$288,048. The following is a schedule, by years, of future minimum rental payments required under operating leases that have initial or remaining noncancelable lease terms in excess of one year as of May 31, 2014:

<u>Year Ending May 31,</u>	<u>Amounts</u>
2015	\$ 197,388
2016	73,290
2017	63,099
2018	58,581
2019	45,600
2020 - 2022	<u>209,000</u>
Total minimum payments required	<u>\$ 646,958</u>

(14) Subsequent Events

Subsequent events have been evaluated through October 9, 2014, the date of the financial statement issuance.

## **SUPPLEMENTARY INFORMATION**

## **SCHEDULE OF INDIVIDUAL FUNDS**

## DIRECT FEDERAL PROGRAMS

### **Department of Housing and Urban Development**

#### **HUD Housing Counseling Program**

The purpose of this grant is to provide comprehensive housing counseling to assist in improving the individual's housing conditions.

### **Department of Health and Human Services**

#### **Head Start Program/Early Childhood**

The Head Start Program provides comprehensive early child development for disadvantaged pre-school children and their families. As part of this program, the grantee also operates a food program for qualifying students on a cost reimbursement basis through the United States Department of Agriculture.

#### **Training and Technical Assistance Programs**

This special grant provides for the training and certification of Head Start Program instructors.

#### **Handicapped Program**

This grant extends the Head Start Program to include handicapped children.

### **The Corporation for National Service**

#### **Retired Senior Volunteer Program (RSVP)**

The purpose of this grant is to involve senior citizens in community participation projects.

### **Department of Education**

The Community Technology Centers Program allows SMILE to provide computer technology classes to qualified individuals.

## INDIRECT FEDERAL PROGRAMS

The Agency receives federal funds as the subgrantee of various departments of the State of Louisiana. The various state departments have the ultimate responsibility of reporting to the federal grantors.

### Project Independence Jobs/Transportation

Provides transportation for participants and their designated children. Also, provides funds to the Transportation program to help provide services to the underprivileged.

### Department of Labor

The Community Services Block Grant Program (CSBG) provides various direct program services to the needy and defrays a portion of the Agency's administrative costs.

### Department of Education

The Child Care Feeding Program (Food Reimbursement) provides balanced meals to qualified children and adults in the Tri-Parish area Child Development Programs.

### Department of Housing and Urban Development

Homelessness Prevention and Rapid Re-Housing (HPRP) assistance is provided to rapidly transition program participants to housing stability, either through their own means or through public assistance, as appropriate.

### Emergency Food and Shelter National Board Program

This grant provides emergency food and shelter assistance to qualified individuals in the parishes of St. Martin, Iberia and Lafayette.

### Department of Social Services

Child Welfare Resource Center – This program will establish a center to ensure the safety, well being and permanency of families who are at risk of dissolution as a result of child abuse and/or neglect.

### Department of Social Services

Low Income Home Energy Assistance Program - This program provides direct payments to home energy suppliers on behalf of eligible households.

### Department of Social Services

Earned Income Tax Credit (EITC) Program - This program provides outreach and tax preparation services for low-income individuals and families.

### Department of Health and Human Services

Medicaid Enrollment - This grant allows SMILE to offer outreach medicaid eligibility services to specific groups of individuals by assisting potential medicaid eligibles to complete an initial application for health care coverage and in some instances by assisting medicaid beneficiaries with the recertification process.

## LOCAL PROGRAMS

The Agency receives grants from local governmental bodies and non-profit organizations.

### Local Government Support (Matching Fund)

Programs that provide supplementary assistance for established programs or matching requirements for established programs.

### St. Martin Parish Emergency Assistance

Funded by local contributions, this program provides emergency energy, rent and medical assistance to the qualified elderly of St. Martin Parish.

### Iberia Food and Medical

Funded by United Way of Iberia and other local grants and contributions, this grant provides medical and food assistance on a one time basis to qualified individuals in Iberia Parish.

### Disaster

Set up due to Hurricanes Katrina and Rita to assist evacuees seeking assistance with rental and utility deposits in order to relocate.

### United Way

To target 30 low-income families in St. Martin Parish to educate them on finances and maintaining a saving account for emergencies.

### Pugh Family Trust Grant/Community Foundation of Acadiana

To provide computer technology workshops and a resource center for disadvantaged individuals in St. Martin, Iberia and Lafayette Parishes. Workshops include Computer Basics, Internet Basics and MS Word for Beginners. Workshops enable participants to become computer literate so that they can have the skills necessary to achieve more independent living – use a computer, create a résumé, fill out an online job application, establish an email account, etc. The workshops are free to persons who are 200% below the federal poverty guidelines. Participants receive "Certificates of Completion" for each workshop.

ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.

Combining Statement of Financial Position  
Year Ended May 31, 2014  
With Comparative Totals for May 31, 2013

	<u>Transportation</u>	<u>Project Independence Jobs</u>	<u>CSBG</u>	<u>Food Reimbursement</u>	<u>Shelter Fund</u>
ASSETS					
Current assets:					
Cash	\$ 11,505	\$ 204	\$ 5,824	\$ 1,145	\$ 123
Receivables:					
Grant funds	52,231	-	50,000	37,922	-
Due from other funds	8,158	-	13,478	37,947	1,500
Other	-	-	-	-	-
Prepaid expenses	<u>2,575</u>	<u>98</u>	<u>12,650</u>	<u>3,058</u>	<u>-</u>
Total current assets	74,469	302	81,952	80,072	1,623
Property and equipment (net)	<u>74,100</u>	<u>2,934</u>	<u>1,800</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ 148,569</u>	<u>\$ 3,236</u>	<u>\$ 83,752</u>	<u>\$ 80,072</u>	<u>\$ 1,623</u>
LIABILITIES					
Liabilities:					
Current liabilities:					
Due to other funds	\$ 38,033	\$ -	\$ -	\$ -	\$ -
Accounts payable	1,829	-	5,177	22,060	-
Accrued salaries and related benefits	6,074	-	24,852	3,265	-
Notes payable	-	-	-	-	-
Capital lease payable	-	-	-	-	-
Retirement plan payable	-	-	-	-	-
Compensated absences	793	-	19,038	-	-
Commitment payable	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total current liabilities	<u>46,729</u>	<u>-</u>	<u>49,067</u>	<u>25,325</u>	<u>-</u>
Long-term liabilities:					
Notes payable	-	-	-	-	-
Capital lease payable	-	-	-	-	-
Commitment payable	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total long-term liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>46,729</u>	<u>-</u>	<u>49,067</u>	<u>25,325</u>	<u>-</u>
NET ASSETS					
Unrestricted (deficit)	-	-	-	-	-
Temporarily restricted (deficit)	101,840	3,236	34,685	54,747	1,623
Permanently restricted	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total net assets (deficit)	<u>101,840</u>	<u>3,236</u>	<u>34,685</u>	<u>54,747</u>	<u>1,623</u>
Total liabilities and net assets	<u>\$ 148,569</u>	<u>\$ 3,236</u>	<u>\$ 83,752</u>	<u>\$ 80,072</u>	<u>\$ 1,623</u>

(continued)



ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.

Combining Statement of Financial Position (Continued)  
Year Ended May 31, 2014  
With Comparative Totals for May 31, 2013

	Weatherization	HUD	Local Government Support (Matching Fund)	St. Martin Parish Emergency Assistance	Iberia Food & Medical	Iberia Parish Special Trust
<b>ASSETS</b>						
Current assets:						
Cash	\$ 300	\$ -	\$ 18,436	\$ 3,523	\$ 5,887	\$ 157
Receivables:						
Grant funds	-	-	19,431	-	1,899	-
Due from other funds	-	-	-	-	-	-
Other	-	-	-	-	-	-
Prepaid expenses	-	-	10,412	-	-	-
Total current assets	300	-	48,279	3,523	7,786	157
Property and equipment (net)	-	-	173,056	-	-	-
Total assets	<u>\$ 300</u>	<u>\$ -</u>	<u>\$ 221,335</u>	<u>\$ 3,523</u>	<u>\$ 7,786</u>	<u>\$ 157</u>
<b>LIABILITIES</b>						
Liabilities:						
Current liabilities:						
Due to other funds	\$ -	\$ -	\$ 77,706	\$ -	\$ 2,486	\$ -
Accounts payable	-	-	6,526	-	2,681	-
Accrued salaries and related benefits	-	-	-	-	-	-
Notes payable	-	-	-	-	-	-
Capital lease payable	-	-	-	-	-	-
Retirement plan payable	-	-	-	-	-	-
Compensated absences	-	-	-	-	-	-
Commitment payable	-	-	-	-	-	-
Total current liabilities	-	-	84,232	-	5,167	-
Long-term liabilities:						
Notes payable	-	-	-	-	-	-
Capital lease payable	-	-	-	-	-	-
Commitment payable	-	-	-	-	-	-
Total long-term liabilities	-	-	-	-	-	-
Total liabilities	-	-	84,232	-	5,167	-
<b>NET ASSETS</b>						
Unrestricted (deficit)	-	-	-	-	-	-
Temporarily restricted (deficit)	300	-	137,103	3,523	2,619	157
Permanently restricted	-	-	-	-	-	-
Total net assets (deficit)	300	-	137,103	3,523	2,619	157
Total liabilities and net assets	<u>\$ 300</u>	<u>\$ -</u>	<u>\$ 221,335</u>	<u>\$ 3,523</u>	<u>\$ 7,786</u>	<u>\$ 157</u>

(continued)

ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.

Combining Statement of Financial Position (Continued)  
 Year Ended May 31, 2014  
 With Comparative Totals for May 31, 2013

	Lafayette Emergency Food & Shelter	Iberia Emergency Food & Shelter	Head Start	RSVP	Medicaid Enrollment	Cookbook Fund
ASSETS						
Current assets:						
Cash	\$ 872	\$ 382	\$ 347,768	\$ 7,123	\$ 2,390	\$ 650
Receivables:						
Grant funds	-	3,927	124,238	-	-	-
Due from other funds	2,323	-	139,382	1,832	-	1,582
Other	-	-	-	-	-	-
Prepaid expenses	-	-	181,740	621	-	-
Total current assets	3,195	4,309	793,128	9,576	2,390	2,232
Property and equipment (net)	-	-	966,777	-	-	272
Total assets	<u>\$ 3,195</u>	<u>\$ 4,309</u>	<u>\$ 1,759,905</u>	<u>\$ 9,576</u>	<u>\$ 2,390</u>	<u>\$ 2,504</u>
LIABILITIES						
Liabilities:						
Current liabilities:						
Due to other funds	\$ -	\$ 1,200	\$ 15,087	\$ -	\$ -	\$ 1,501
Accounts payable	-	-	289,539	429	-	889
Accrued salaries and related benefits	-	-	148,156	1,128	-	-
Notes payable	-	-	-	-	-	-
Capital lease payable	-	-	7,806	-	-	-
Retirement plan payable	-	-	-	-	-	-
Compensated absences	-	-	72,703	923	-	-
Commitment payable	-	-	-	-	-	-
Total current liabilities	-	1,200	533,291	2,480	-	2,390
Long-term liabilities:						
Notes payable	-	-	-	-	-	-
Capital lease payable	-	-	-	-	-	-
Commitment payable	-	-	-	-	-	-
Total long-term liabilities	-	-	-	-	-	-
Total liabilities	-	1,200	533,291	2,480	-	2,390
NET ASSETS						
Unrestricted (deficit)	-	-	-	-	-	114
Temporarily restricted (deficit)	3,195	3,109	1,226,614	7,096	2,390	-
Permanently restricted	-	-	-	-	-	-
Total net assets (deficit)	3,195	3,109	1,226,614	7,096	2,390	114
Total liabilities and net assets	<u>\$ 3,195</u>	<u>\$ 4,309</u>	<u>\$ 1,759,905</u>	<u>\$ 9,576</u>	<u>\$ 2,390</u>	<u>\$ 2,504</u>

(continued)

ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.

Combining Statement of Financial Position (Continued)  
 Year Ended May 31, 2014  
 With Comparative Totals for May 31, 2013

	Family Preservation	Payroll	HPRP	Accounts Payable	Home Energy Assistance	General
ASSETS						
Current assets:						
Cash	\$ 1,621	\$ 603,067	\$ -	\$ (74,247)	\$ 164,811	\$ 125,144
Receivables:						
Grant funds	-	-	-	-	417,413	-
Due from other funds	-	22,478	-	79,812	4,316	-
Other	-	71,268	-	333	-	-
Prepaid expenses	-	-	-	-	1,594	-
Total current assets	1,621	696,813	-	5,898	588,134	125,144
Property and equipment (net)	-	-	-	-	-	248,582
Total assets	<u>\$ 1,621</u>	<u>\$ 696,813</u>	<u>\$ -</u>	<u>\$ 5,898</u>	<u>\$ 588,134</u>	<u>\$ 373,726</u>
LIABILITIES						
Liabilities:						
Current liabilities:						
Due to other funds	\$ -	\$ 176,931	\$ -	\$ 5,898	\$ -	\$ -
Accounts payable	-	-	-	-	442,596	4,449
Accrued salaries and related benefits	-	135,929	-	-	4,345	-
Notes payable	-	-	-	-	-	29,681
Capital lease payable	-	-	-	-	-	-
Retirement plan payable	-	383,953	-	-	-	-
Compensated absences	-	-	-	-	-	-
Commitment payable	-	-	-	-	-	-
Total current liabilities	-	696,813	-	5,898	446,941	34,130
Long-term liabilities:						
Notes payable	-	-	-	-	-	269,588
Capital lease payable	-	-	-	-	-	-
Commitment payable	-	-	-	-	-	-
Total long-term liabilities	-	-	-	-	-	269,588
Total liabilities	-	696,813	-	5,898	446,941	303,718
NET ASSETS						
Unrestricted (deficit)	-	-	-	-	-	70,008
Temporarily restricted (deficit)	1,621	-	-	-	141,193	-
Permanently restricted	-	-	-	-	-	-
Total net assets (deficit)	1,621	-	-	-	141,193	70,008
Total liabilities and net assets	<u>\$ 1,621</u>	<u>\$ 696,813</u>	<u>\$ -</u>	<u>\$ 5,898</u>	<u>\$ 588,134</u>	<u>\$ 373,726</u>

(continued)

ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.

Combining Statement of Financial Position (Continued)  
 Year Ended May 31, 2014  
 With Comparative Totals for May 31, 2013

	Indirect Cost Pool	Computer Technology	United Way	EITC	Disaster	Pugh Family Trust
ASSETS						
Current assets:						
Cash	\$ 90,488	\$ 13,882	\$ 2,642	\$ 5,397	\$ 398	\$ 189
Receivables:						
Grant funds	12,818	-	-	-	-	-
Due from other funds	9,780	-	-	-	-	-
Other	-	-	-	-	-	-
Prepaid expenses	11,857	-	-	-	-	-
Total current assets	124,943	13,882	2,642	5,397	398	189
Property and equipment (net)	1,139	11,742	-	-	-	-
Total assets	<u>\$ 126,082</u>	<u>\$ 25,624</u>	<u>\$ 2,642</u>	<u>\$ 5,397</u>	<u>\$ 398</u>	<u>\$ 189</u>
LIABILITIES						
Liabilities:						
Current liabilities:						
Due to other funds	\$ 1,582	\$ -	\$ -	\$ 1,766	\$ 398	\$ -
Accounts payable	9,223	-	-	-	-	-
Accrued salaries and related benefits	15,357	-	-	-	-	-
Notes payable	-	-	-	-	-	-
Capital lease payable	-	-	-	-	-	-
Retirement plan payable	-	-	-	-	-	-
Compensated absences	2,818	-	-	-	-	-
Commitment payable	-	-	-	-	-	-
Total current liabilities	28,980	-	-	1,766	398	-
Long-term liabilities:						
Notes payable	-	-	-	-	-	-
Capital lease payable	-	-	-	-	-	-
Commitment payable	-	-	-	-	-	-
Total long-term liabilities	-	-	-	-	-	-
Total liabilities	28,980	-	-	1,766	398	-
NET ASSETS						
Unrestricted (deficit)	-	-	-	-	-	-
Temporarily restricted (deficit)	97,102	25,624	2,642	3,631	-	189
Permanently restricted	-	-	-	-	-	-
Total net assets (deficit)	97,102	25,624	2,642	3,631	-	189
Total liabilities and net assets	<u>\$ 126,082</u>	<u>\$ 25,624</u>	<u>\$ 2,642</u>	<u>\$ 5,397</u>	<u>\$ 398</u>	<u>\$ 189</u>

(continued)

ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.

Combining Statement of Financial Position (Continued)

Year Ended May 31, 2014

With Comparative Totals for May 31, 2013

	Total	Eliminating Entries	Totals	
			2014	2013
ASSETS				
Current assets:				
Cash	\$ 1,339,681	\$ -	\$ 1,339,681	\$ 903,897
Receivables:				
Grant funds	719,879	-	719,879	727,406
Due from other funds	322,588	(322,588)	-	-
Other	71,601	-	71,601	7,024
Prepaid expenses	224,605	-	224,605	322,252
Total current assets	2,678,354	(322,588)	2,355,766	1,960,579
Property and equipment (net)	1,480,402	-	1,480,402	1,612,302
Total assets	\$ 4,158,756	\$ (322,588)	\$ 3,836,168	\$ 3,572,881
LIABILITIES				
Liabilities:				
Current liabilities:				
Due to other funds	\$ 322,588	\$ (322,588)	\$ -	\$ -
Accounts payable	785,398	-	785,398	352,891
Accrued salaries and related benefits	339,106	-	339,106	344,651
Notes payable	29,681	-	29,681	27,214
Capital lease payable	7,806	-	7,806	26,012
Retirement plan payable	383,953	-	383,953	572,119
Compensated absences	96,275	-	96,275	115,496
Commitment payable	-	-	-	55,536
Total current liabilities	1,964,807	(322,588)	1,642,219	1,493,919
Long-term liabilities:				
Notes payable	269,588	-	269,588	297,830
Capital lease payable	-	-	-	7,806
Commitment payable	-	-	-	27,000
Total long-term liabilities	269,588	-	269,588	332,636
Total liabilities	2,234,395	(322,588)	1,911,807	1,826,555
NET ASSETS				
Unrestricted (deficit)	70,122	-	70,122	(118,844)
Temporarily restricted (deficit)	1,854,239	-	1,854,239	1,865,170
Permanently restricted	-	-	-	-
Total net assets (deficit)	1,924,361	-	1,924,361	1,746,326
Total liabilities and net assets	\$ 4,158,756	\$ (322,588)	\$ 3,836,168	\$ 3,572,881

ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.

Combining Statement of Activities  
Year Ended May 31, 2014  
With Comparative Totals for May 31, 2013

	Transportation	Project Independence Jobs	CSBG	Food Reimbursement	Shelter Fund
Public support:					
In-kind contributions	\$ -	\$ -	\$ -	\$ 5,076	\$ -
Donations	24,751	3,396	-	-	-
Total public support	24,751	3,396	-	5,076	-
Grants from governmental agencies	246,608	2,834	958,445	1,097,110	-
Other revenue:					
Miscellaneous	-	-	76	352	25
Total public support, grants from governmental agencies and other revenue	271,359	6,230	958,521	1,102,538	25
Expenses:					
Direct costs -					
Salaries and wages	111,840	6,709	592,391	209,948	-
Fringe benefits	10,803	555	54,042	18,954	-
Retirement plan	3,374	201	17,787	6,299	-
Depreciation	61,547	2,346	569	-	-
Contract services	12,058	-	6,885	-	-
Travel	1,235	-	4,388	-	-
Consumable supplies	1,006	-	5,547	53,403	-
Space costs	10,764	-	68,876	-	-
Repairs and maintenance	30,814	-	45,469	8,794	-
Operating services	92,264	928	118,849	778,824	-
Other	2,029	-	8,391	2,009	830
Interest expense	-	-	-	-	-
Indirect costs	10,098	550	-	18,894	-
In-kind contributions	-	-	-	5,076	-
Total expenses	347,832	11,289	923,194	1,102,201	830
Public support, grants from governmental agencies and other revenue over (under) expenses	(76,473)	(5,059)	35,327	337	(805)
Other increases (decreases) in net assets:					
Operating transfers in	85,933	-	-	-	-
Operating transfers out	-	-	(70,508)	-	-
Indirect cost transferred from programs	-	-	-	-	-
Gain (loss) on disposal of fixed assets	-	-	-	-	-
Total other increases (decreases) in net assets	85,933	-	(70,508)	-	-
Change in net assets	9,460	(5,059)	(35,181)	337	(805)
Net assets (deficit), beginning of year	92,380	8,295	69,866	54,410	2,428
Net assets (deficit), end of year	\$ 101,840	\$ 3,236	\$ 34,685	\$ 54,747	\$ 1,623

(continued)

ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.

Combining Statement of Activities (Continued)

Year Ended May 31, 2014

With Comparative Totals for May 31, 2013

	Weatherization	HUD	Local Government Support (Matching Fund)	St. Martin Parish Emergency Assistance	Iberia Food & Medical	Iberia Parish Special Trust
Public support:						
In-kind contributions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Donations	-	-	100	500	-	-
Total public support	-	-	100	500	-	-
Grants from governmental agencies	-	-	171,143	2,619	20,453	-
Other revenue:						
Miscellaneous	300	-	2,618	-	61	-
Total public support, grants from governmental agencies and other revenue	300	-	173,861	3,119	20,514	-
Expenses:						
Direct costs -						
Salaries and wages	-	-	-	-	-	-
Fringe benefits	-	-	-	-	-	-
Retirement plan	-	-	-	-	-	-
Depreciation	-	-	20,235	-	-	-
Contract services	-	-	7,623	-	-	-
Travel	-	-	-	-	-	-
Consumable supplies	-	-	7,541	-	-	-
Space costs	-	-	61,939	-	-	-
Repairs and maintenance	-	-	19,151	-	-	-
Operating services	-	-	72,325	3,133	22,208	-
Other	-	-	1,112	44	75	-
Interest expense	-	-	-	-	-	-
Indirect costs	-	-	-	-	-	-
In-kind contributions	-	-	-	-	-	-
Total expenses	-	-	189,926	3,177	22,283	-
Public support, grants from governmental agencies and other revenue over (under) expenses	300	-	(16,065)	(58)	(1,769)	-
Other increases (decreases) in net assets:						
Operating transfers in	-	-	30,774	-	-	-
Operating transfers out	-	-	(53,826)	-	-	-
Indirect cost transferred from programs	-	-	-	-	-	-
Gain (loss) on disposal of fixed assets	-	-	-	-	-	-
Total other increases (decreases) in net assets	-	-	(23,052)	-	-	-
Change in net assets	300	-	(39,117)	(58)	(1,769)	-
Net assets (deficit), beginning of year	-	-	176,220	3,581	4,388	157
Net assets (deficit), end of year	\$ 300	\$ -	\$ 137,103	\$ 3,523	\$ 2,619	\$ 157

(continued)

ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.

Combining Statement of Activities (Continued)

Year Ended May 31, 2014

With Comparative Totals for May 31, 2013

	Lafayette Emergency Food & Shelter	Iberia Emergency Food & Shelter	Head Start	RSVP	Medicaid Enrollment	Cookbook Fund
Public support:						
In-kind contributions	\$ -	\$ -	\$ 2,734,497	\$ 15,593	\$ -	\$ -
Donations	-	-	1,500	658	-	717
Total public support	-	-	2,735,997	16,251	-	717
Grants from governmental agencies	-	7,384	10,682,229	42,949	-	648
Other revenue:						
Miscellaneous	-	-	6,843	4,967	-	947
Total public support, grants from governmental agencies and other revenue	-	7,384	13,425,069	64,167	-	2,312
Expenses:						
Direct costs -						
Salaries and wages	-	-	6,312,899	26,394	-	-
Fringe benefits	-	-	613,016	2,366	-	-
Retirement plan	-	-	189,062	792	-	-
Depreciation	-	-	289,816	-	-	69
Contract services	-	-	86,654	1,013	-	-
Travel	-	-	36,187	-	-	17
Consumable supplies	-	-	229,640	506	-	841
Space costs	-	-	579,475	4,686	-	7
Repairs and maintenance	-	-	433,334	530	-	-
Operating services	54	4,510	1,263,990	15,001	-	-
Other	-	-	22,215	122	-	1,680
Interest expense	-	-	-	-	-	-
Indirect costs	-	-	569,838	2,376	-	-
In-kind contributions	-	-	2,734,497	15,593	-	-
Total expenses	54	4,510	13,360,623	69,379	-	2,614
Public support, grants from governmental agencies and other revenue over (under) expenses	(54)	2,874	64,446	(5,212)	-	(302)
Other increases (decreases) in net assets:						
Operating transfers in	-	-	-	10,000	-	-
Operating transfers out	(7,000)	-	(24,000)	-	-	-
Indirect cost transferred from programs	-	-	-	-	-	-
Gain (loss) on disposal of fixed assets	-	-	-	-	-	-
Total other increases (decreases) in net assets	(7,000)	-	(24,000)	10,000	-	-
Change in net assets	(7,054)	2,874	40,446	4,788	-	(302)
Net assets (deficit), beginning of year	10,249	235	1,186,168	2,308	2,390	416
Net assets (deficit), end of year	\$ 3,195	\$ 3,109	\$ 1,226,614	\$ 7,096	\$ 2,390	\$ 114

(continued)



ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.

Combining Statement of Activities (Continued)

Year Ended May 31, 2014

With Comparative Totals for May 31, 2013

	Family Preservation	Payroll	HRP	Accounts Payable	Home Energy Assistance	General
Public support:						
In-kind contributions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Donations	-	-	-	-	-	7,594
Total public support	-	-	-	-	-	7,594
Grants from governmental agencies	-	-	-	-	4,032,474	-
Other revenue:						
Miscellaneous	-	-	-	-	24,384	207,200
Total public support, grants from governmental agencies and other revenue	-	-	-	-	4,056,858	214,794
Expenses:						
Direct costs -						
Salaries and wages	-	-	-	-	93,243	-
Fringe benefits	-	-	-	-	8,898	-
Retirement plan	-	-	-	-	2,389	-
Depreciation	-	-	-	-	-	28,043
Contract services	-	-	-	-	5,544	-
Travel	-	-	-	-	680	-
Consumable supplies	-	-	-	-	15,104	-
Space costs	-	-	-	-	13,300	-
Repairs and maintenance	-	-	-	-	80	-
Operating services	-	-	-	-	3,732,354	-
Other	-	-	1	-	906	7,221
Interest expense	-	-	-	-	-	27,608
Indirect costs	-	-	-	-	-	-
In-kind contributions	-	-	-	-	-	-
Total expenses	-	-	1	-	3,872,498	62,872
Public support, grants from governmental agencies and other revenue over (under) expenses	-	-	(1)	-	184,360	151,922
Other increases (decreases) in net assets:						
Operating transfers in	-	-	-	-	-	37,346
Operating transfers out	-	-	(8,719)	-	(235,720)	-
Indirect cost transferred from programs	-	-	-	-	-	-
Gain (loss) on disposal of fixed assets	-	-	-	-	-	-
Total other increases (decreases) in net assets	-	-	(8,719)	-	(235,720)	37,346
Change in net assets	-	-	(8,720)	-	(51,360)	189,268
Net assets (deficit), beginning of year	1,621	-	8,720	-	192,553	(119,260)
Net assets (deficit), end of year	\$ 1,621	\$ -	\$ -	\$ -	\$ 141,193	\$ 70,008

(continued)

ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.

Combining Statement of Activities (Continued)

Year Ended May 31, 2014

With Comparative Totals for May 31, 2013

	Indirect Cost Pool	Computer Technology	United Way	EITC	Disaster	Pugh Family Trust
Public support:						
In-kind contributions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Donations	-	-	-	-	-	-
Total public support	-	-	-	-	-	-
Grants from governmental agencies	-	-	-	3,218	-	-
Other revenue:						
Miscellaneous	1,362	-	-	-	-	-
Total public support, grants from governmental agencies and other revenue	1,362	-	-	3,218	-	-
Expenses:						
Direct costs -						
Salaries and wages	336,383	-	-	-	-	-
Fringe benefits	31,605	-	-	-	-	-
Retirement plan	10,083	-	-	-	-	-
Depreciation	467	1,553	-	-	-	-
Contract services	140,513	-	-	-	-	-
Travel	5,946	-	-	-	-	-
Consumable supplies	23,893	-	-	218	-	-
Space costs	57,211	-	-	-	-	-
Repairs and maintenance	23,452	-	-	-	-	-
Operating services	63,131	-	-	-	-	-
Other	67,614	-	-	-	-	-
Interest expense	-	-	-	-	-	-
Indirect costs	-	-	-	-	-	-
In-kind contributions	-	-	-	-	-	-
Total expenses	760,298	1,553	-	218	-	-
Public support, grants from governmental agencies and other revenue over (under) expenses	(758,936)	(1,553)	-	3,000	-	-
Other increases (decreases) in net assets:						
Operating transfers in	235,720	-	-	-	-	-
Operating transfers out	-	-	-	-	-	-
Indirect cost transferred from programs	601,756	-	-	-	-	-
Gain (loss) on disposal of fixed assets	-	-	-	-	-	-
Total other increases (decreases) in net assets	837,476	-	-	-	-	-
Change in net assets	78,540	(1,553)	-	3,000	-	-
Net assets (deficit), beginning of year	18,562	27,177	2,642	631	-	189
Net assets (deficit), end of year	\$ 97,102	\$ 25,624	\$ 2,642	\$ 3,631	\$ -	\$ 189

(continued)

ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.

Combining Statement of Activities (Continued)  
 Year Ended May 31, 2014  
 With Comparative Totals for May 31, 2013

	Totals	
	2014	2013
Public support:		
In-kind contributions	\$ 2,755,166	\$ 2,843,386
Donations	<u>39,216</u>	<u>44,815</u>
Total public support	2,794,382	2,888,201
Grants from governmental agencies	17,268,114	17,135,322
Other revenue:		
Miscellaneous	<u>249,135</u>	<u>154,154</u>
Total public support, grants from governmental agencies and other revenue	<u>20,311,631</u>	<u>20,177,677</u>
Expenses:		
Direct costs -		
Salaries and wages	7,689,807	8,231,863
Fringe benefits	740,239	796,584
Retirement plan	229,987	250,395
Depreciation	404,645	468,355
Contract services	260,290	196,112
Travel	48,453	64,591
Consumable supplies	337,699	451,326
Space costs	796,258	764,861
Repairs and maintenance	561,624	524,465
Operating services	6,167,571	5,591,204
Other	114,249	146,532
Interest expense	27,608	32,259
Indirect costs	601,756	583,467
In-kind contributions	<u>2,755,166</u>	<u>2,843,386</u>
Total expenses	<u>20,735,352</u>	<u>20,945,400</u>
Public support, grants from governmental agencies and other revenue over (under) expenses	<u>(423,721)</u>	<u>(767,723)</u>
Other increases (decreases) in net assets:		
Operating transfers in	399,773	341,029
Operating transfers out	(399,773)	(341,029)
Indirect cost transferred from programs	601,756	583,467
Gain/(loss) on disposal of fixed assets	<u>-</u>	<u>(19,439)</u>
Total other increases (decreases) in net assets	<u>601,756</u>	<u>564,028</u>
Change in net assets	178,035	(203,695)
Net assets (deficit), beginning of year	<u>1,746,326</u>	<u>1,950,021</u>
Net assets (deficit), end of year	<u>\$ 1,924,361</u>	<u>\$ 1,746,326</u>

ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.

Indirect Cost Pool  
Statements of Revenue and Expenses  
Years Ended May 31, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Revenue:		
Indirect cost revenues	<u>\$ 601,756</u>	<u>\$ 583,467</u>
Expenses:		
Direct costs -		
Salaries and wages	336,383	331,711
Fringe benefits	31,605	31,095
Retirement expense	10,083	9,939
Depreciation	467	675
Contract services	6,775	9,753
Travel	5,946	19,305
Consumable supplies	1,589	874
Repairs and maintenance	23,452	16,761
Other	67,614	57,475
Operating services -		
Copy machine expense	19,659	17,917
Auto expenses	9,225	15,519
Professional fees	133,738	105,527
Rent	24,490	8,580
Utilities and telephone	32,721	35,831
Office supplies	22,304	20,745
Publications and subscriptions	2,719	509
Insurance - general	1,651	2,111
Employee development	<u>29,877</u>	<u>40,538</u>
Total expenses	<u>760,298</u>	<u>724,865</u>
Deficiency of revenue over expenses	<u>\$ (158,542)</u>	<u>\$ (141,398)</u>

**INTERNAL CONTROL,  
COMPLIANCE  
AND  
OTHER MATTERS**

# KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC

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## INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Directors  
St. Martin, Iberia, Lafayette  
Community Action Agency, Inc.  
Lafayette, Louisiana

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the St. Martin, Iberia, Lafayette Community Action Agency, Inc. (a nonprofit organization), which comprise the statement of financial position as of May 31, 2014, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated October 9, 2014.

### Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the St. Martin, Iberia, Lafayette Community Action Agency, Inc.'s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the St. Martin, Iberia, Lafayette Community Action Agency, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of the St. Martin, Iberia, Lafayette Community Action Agency, Inc.'s internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant*

*deficiency*, is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be a material weakness. However, material weaknesses may exist that have not been identified.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the St. Martin, Iberia, Lafayette Community Action Agency, Inc.'s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

***Kolder, Champagne, Slaven & Company, LLC***  
Certified Public Accountants

Breaux Bridge, Louisiana  
October 9, 2014

# KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC

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## INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

To the Board of Directors  
St. Martin, Iberia, Lafayette  
Community Action Agency, Inc.  
Lafayette, Louisiana

### Report on Compliance for Each Major Federal Program

We have audited the St. Martin, Iberia, Lafayette Community Action Agency, Inc.'s compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the St. Martin, Iberia, Lafayette Community Action Agency, Inc.'s major federal programs for the year ended May 31, 2014. St. Martin, Iberia, Lafayette Community Action Agency, Inc.'s major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

### *Management's Responsibility*

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

### *Auditors' Responsibility*

Our responsibility is to express an opinion on compliance for each of the St. Martin, Iberia, Lafayette Community Action Agency, Inc.'s major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether



noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the St. Martin, Iberia, Lafayette Community Action Agency, Inc.'s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the St. Martin, Iberia, Lafayette Community Action Agency, Inc.'s compliance.

### ***Opinion on Each Major Federal Program***

In our opinion, the St. Martin, Iberia, Lafayette Community Action Agency, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended May 31, 2014.

### **Report on Internal Control Over Compliance**

Management of the St. Martin, Iberia, Lafayette Community Action Agency, Inc. is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the St. Martin, Iberia, Lafayette Community Action Agency, Inc.'s internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the St. Martin, Iberia, Lafayette Community Action Agency, Inc.'s internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified a certain deficiency in internal control over compliance, as described in the accompanying schedule of current and prior year audit findings and management's corrective action plan as item 2014-001, that we consider to be a significant deficiency.

The St. Martin, Iberia, Lafayette Community Action Agency, Inc.'s response to internal control over compliance findings identified in our audit is described in the accompanying schedule of current and prior year audit findings and management's corrective action plan. The St. Martin, Iberia, Lafayette Community Action Agency, Inc.'s response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

***Kolder, Champagne, Slaven & Company, LLC***  
Certified Public Accountants

Breaux Bridge, Louisiana  
October 9, 2014

ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.

Schedule of Expenditures of Federal Awards  
Year Ended May 31, 2014

<u>Federal Grantor/Pass-Through Grantor/ Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass-through Entity Identifying Number</u>	<u>Federal Expenditures</u>
<u>U. S. Department of Agriculture</u>			
Passed through Louisiana Department of Education - Child and Adult Care Food Program *	10.558	**	<u>\$ 1,097,125</u>
<u>U.S. Department of Housing and Urban Development</u>			
Direct Program:			
Continuum of Care Program	14.267	-	32,519
Passed through Louisiana Department of Children & Family Services/ Iberia Parish Government - Emergency Shelter Grant	14.231	**	53,333
Passed through Louisiana Department of Children & Family Services/ Lafayette Consolidated Government - Emergency Shelter Grant	14.231	**	<u>43,181</u>
Total Emergency Shelter Grant			<u>96,514</u>
Total Department of Housing and Urban Development			<u>129,033</u>
<u>Department of Transportation</u>			
Passed through Louisiana Department of Transportation and Rural Development/ Iberia Parish Government - Formula Grants for Rural Areas	20.509	**	<u>189,358</u>
<u>The Corporation for National Service</u>			
Direct Program:			
Retired and Senior Volunteer Program	94.002	-	<u>42,949</u>
<u>U.S. Department of Homeland Security</u>			
Emergency Food and Shelter National Board Program	97.024	-	<u>6,588</u>

(continued)

ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.

Schedule of Expenditures of Federal Awards (continued)  
Year Ended May 31, 2014

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-through Entity Identifying Number	Federal Expenditures
<u>U. S. Department of Health and Human Services</u>			
Direct Programs:			
Head Start *	93.600	-	10,716,285
Passed through Louisiana Housing Finance Agency/ Louisiana Association of Community Action Partnerships - Low-Income Home Energy Assistance	93.568	**	3,863,629
Passed through Louisiana Department of Children and Family Services - Temporary Assistance for Needy Families	93.558	701895	2,834
Passed through Louisiana Workforce Commission - Community Service Block Grant *	93.569	2013N0024	498,445
Community Service Block Grant *	93.569	2014N0024	417,792
Total Community Service Block Grant			<u>916,237</u>
Total Department of Health and Human Services			<u>15,498,985</u>
Total expenditures of federal awards			<u>\$ 16,964,038</u>

\* Major federal financial assistance programs.

\*\* Not readily available.

ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.

Notes to Schedule of Expenditures of Federal Awards  
Year Ended May 31, 2014

(1) General

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal financial assistance programs of the St. Martin, Iberia, Lafayette Community Action Agency, Inc. The St. Martin, Iberia, Lafayette Community Action Agency, Inc. reporting entity is defined in Note 1 to the financial statements for the year ended May 31, 2014. All federal financial assistance received directly from federal agencies is included on the schedule as well as federal financial assistance passed through other government agencies. The Child and Adult Care Food, Head Start, and Community Service Block Grant programs were considered major federal programs for the St. Martin, Iberia, Lafayette Community Action Agency, Inc.

(2) Basis of Accounting

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the St. Martin, Iberia, Lafayette Community Action Agency, Inc. and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

(3) Relationship to Federal Financial Reports

A reconciliation of total expenditures of federal awards reported in the Schedule of Expenditures of Federal Awards to total expenses per statement of activities is as follows:

Total expenses per statement of activities	\$ 20,735,352
Add: Equipment additions	272,745
Less: In-kind contributions	(2,755,166)
Depreciation	(404,645)
Non-federal expenses	<u>(884,248)</u>
Total expenditures per schedule of federal awards	<u>\$ 16,964,038</u>

The total in-kind contributions of \$2,755,166 and depreciation expense in the amount of \$354,278 relate to federal programs but are not considered to be federal expenditures.

ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.

Schedule of Findings and Questioned Costs  
Year Ended May 31, 2014

Part I. Summary of Auditors' Results:

1. The auditors' report expresses an unmodified opinion on the financial statements of St. Martin, Iberia, Lafayette Community Action Agency, Inc.
2. No deficiencies in internal control were disclosed by the audit of the financial statements.
3. No instances of noncompliance material to the financial statements, which would be required to be reported in accordance with Government Auditing Standards, were disclosed by the audit of the financial statements.
4. One deficiency in internal control over major programs was disclosed by the audit of the financial statements. The deficiency is considered to be a significant deficiency.
5. The auditors' report on compliance for the major federal award programs expresses an unmodified opinion on all major programs.
6. Audit findings that are required to be reported in accordance with Section 510(a) of OMB Circular A-133 are reported in the accompanying schedule of current and prior year audit findings and management's corrective action plan.
7. The major programs were:  
U. S. Department of Health and Human Services: Head Start and Early Childhood, CFDA 93.600  
U.S. Department of Health and Human Services: Community Service Block Grant, CFDA 93.569  
U.S. Department of Agriculture: Child and Adult Care Food Program, CFDA 10.558
8. The dollar threshold used to distinguish between Type A and Type B programs, as described in Section 520(b) of Circular A-133 was \$508,921.
9. SMILE did not qualify as a low risk auditee.

(continued)

ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.

Schedule of Findings and Questioned Costs (Continued)  
Year Ended May 31, 2014

Part II. Findings which are required to be reported in accordance with generally accepted Governmental Auditing Standards:

A. Compliance Findings

There are no compliance findings that are required to be reported at May 31, 2014.

B. Internal Control Findings

There are no internal control findings that are required to be reported at May 31, 2014.

Part III. Findings and questioned costs for Federal awards which include audit findings as defined in Section 510(a) of Circular A-133:

See internal control finding 2014-001 on the accompanying schedule of current and prior year audit findings and management's corrective action plan.

ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.

Schedule of Current and Prior Year Audit Findings  
And Management's Corrective Action Plan  
Year Ended May 31, 2014

Part I: Current Year Findings and Management's Corrective Action Plan

- A. Findings which are required to be reported in accordance with generally accepted Governmental Auditing Standards:

Internal Control Over Financial Reporting

There are no findings that are required to be reported.

Compliance

There are no findings that are required to be reported.

- B. Findings and questioned costs for Federal awards which include audit findings as defined in Section 510(a) of Circular A-133:

Internal Control Over Compliance

2014-001      Inadequate Controls over Applicant Eligibility

CFDA 93.569    Community Services Block Grant

CFDA 93.568    Home Energy Assistance Program

CONDITION: Miscalculations were noted when determining applicant income.

CRITERIA:    Community Services Block Grant and Home Energy Assistance Program participants must meet a minimum criteria in order to be eligible to receive assistance. For Community Services Block Grant, one criteria is that the household must be at or below the Federal Poverty Guideline. For Home Energy Assistance Program, one criteria is that the household must be at or below 60 percent of the Estimated State Median Income.

CAUSE:    Annual income calculations for purposes of eligibility determinations were not being adequately made and reviewed.

EFFECT:    The possibility exists that an applicant may receive assistance even though he/she is ineligible for assistance. Although there were calculation errors, none of the applicants we tested were found to be ineligible for services.

(continued)



ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.

Schedule of Current and Prior Year Audit Findings  
And Management's Corrective Action Plan (Continued)  
Year Ended May 31, 2014

RECOMMENDATION: Management needs to implement policies and controls to ensure that staff personnel are adequately trained and that calculations are properly made and reviewed.

MANAGEMENT'S RESPONSE AND PLANNED CORRECTIVE ACTION: Mr. Royal Hill, Jr., Chief Executive Officer, and Mrs. Brenda Foulcard, Chief Financial Officer, have addressed the finding with management and they have implemented a plan to deter errors in annual income calculation by staff personnel, which includes a check list with flag indicators and an ongoing internal monitoring system driven by checks and balances.

Part II: Prior Year Findings

- A. Findings which are required to be reported in accordance with generally accepted Governmental Auditing Standards:

Internal Control Over Financial Reporting

There were no findings that were required to be reported.

Compliance

There were no findings that were required to be reported.

- B. Findings and questioned costs for Federal awards which include audit findings as defined in Section 510(a) of Circular A-133:

Internal Control Over Compliance

There were no findings that were required to be reported.